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August 17, 2017

Via Electronic Filing

Ex parte

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Portals II, Room TW-A325
Washington, DC 20554

Re: In the Matter of Accelerating Wireline Broadband Deployment by Removing
Barriers to Infrastructure Investment, WC Docket No. 17-84

Dear Ms. Dortch:

On August 17, 2017, Robert Vitanza and the undersigned, of AT&T, met with the following Commission Staff: Michael Ray, Adam Copeland, Madeleine Findley, and Zach Ross (joined via telephone). The purpose of the meeting was to discuss the parts of the Commission's Notice¹ that address Pole Attachment and Section 253 Preemption. AT&T's remarks were consistent with its filed comments on the above captioned matter, and the attached presentation.

If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,

/s/ Ola Oyefusi

cc: M. Ray
A. Copeland
M. Findley
Zach Ross

¹ Notice of Proposed Rulemaking, Notice of Inquiry, and Request for Comment, *Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment*, 32 FCC Rcd 3266 (2017) ("Notice").

Accelerating Wireline Broadband Deployment:

Presentation – Pole Attachment and Sec. 253 Preemption

WC Docket 17-84



August 17, 2017

Summary of Proposals to Accelerate Wireline Infrastructure Deployment

- **Pole Attachment – adopt targeted reforms:**

- **Timeline**-Incremental changes only that eliminate unnecessary delays, don't sacrifice safety or service reliability, and eliminate large order ambiguities
 - AT&T supports a common sense / balanced OTMR approach, with safeguards.
- **Make-ready charges**-AT&T supports cost-based charges and not a schedule of arbitrary charges.
- **Attachment Rates**-
 - Include only unreimbursed capital costs
 - ILEC attachers and their competitors should be charged the same rates
 - Either cable or telecom rate could apply for commingled service
 - Rate for wireless attachment should be based on incremental rate calculation.
- **Other issues**-pole location database, workflow tracking, arbitrary construction standard, and overloading, pole attachment complaint shot clock.

- **Section 253 Preemption – an avenue to accelerate broadband deployment**

- AT&T proposes that the Commission use Section 253 as an avenue to accelerate broadband deployment by taking the following steps:
- **remove local barriers** to deployment
- encourage **uniform standards** and processes,
- be willing to preempt **when providers encounter barriers from states and municipalities**
- create a **streamlined Section 253 complaint procedure** to would increase predictability & expedite relief.



Pole Attachment

The Commission Should Adopt Targeted Pole Attachment and Make Ready Reforms:

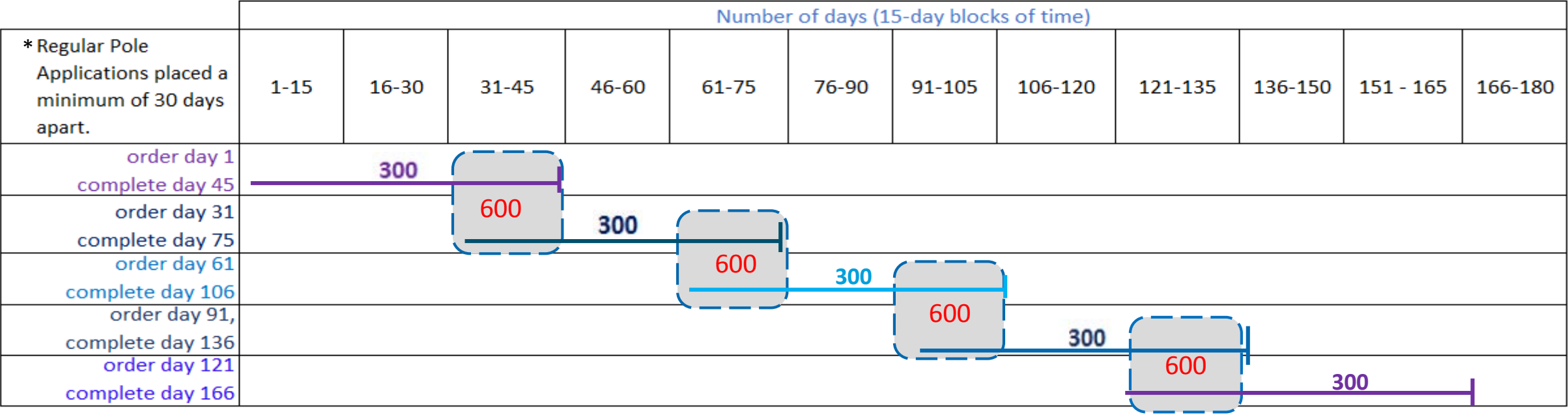
- Current pole attachment timeline—target reforms to ½ of stages to reduce delays without sacrificing service quality or safety
 - 45-day application review and pole survey
 - 14-day estimate
 - 14-day acceptance
 - 75-day make-ready (60 for existing attachers/15 for pole owner)
- Retain 45-day timeline for application review & pole survey and 14-day timeline for acceptance. Needed to properly evaluate deployments.
- **Reduce the pole attachment timeline by 29 days** (20%) with the following 2 simple changes to the estimate and make-ready stages:
 - 14-day estimate stage—**fold** into 45-day review & survey stage
 - 15-day make-ready for pole owner—**eliminate** so new attacher can immediately perform make-ready
- **Reduce the timeline for wireless attachments** above the communications space **by 59 days** (33%) by making it consistent with the timeline for attachments in the communications space (90 days vs. 60 days)



Pole Attachment

Eliminate Ambiguities in Large Order Timeline – Request by single attacher:

- **Eliminate the arbitrary 30-day window** –Basing the large and larger order designation on the number of poles the pole owner is processing in a state when an order is received, including the new order, better accounts for workloads and minimizes gamesmanship.
- **45-day review and survey stage overlaps 30-day window** – For ½ the year, **pole owners could be processing large orders during the regular order timeline**, *for each new attacher submitting orders for multiple 300 pole attachment requests.*



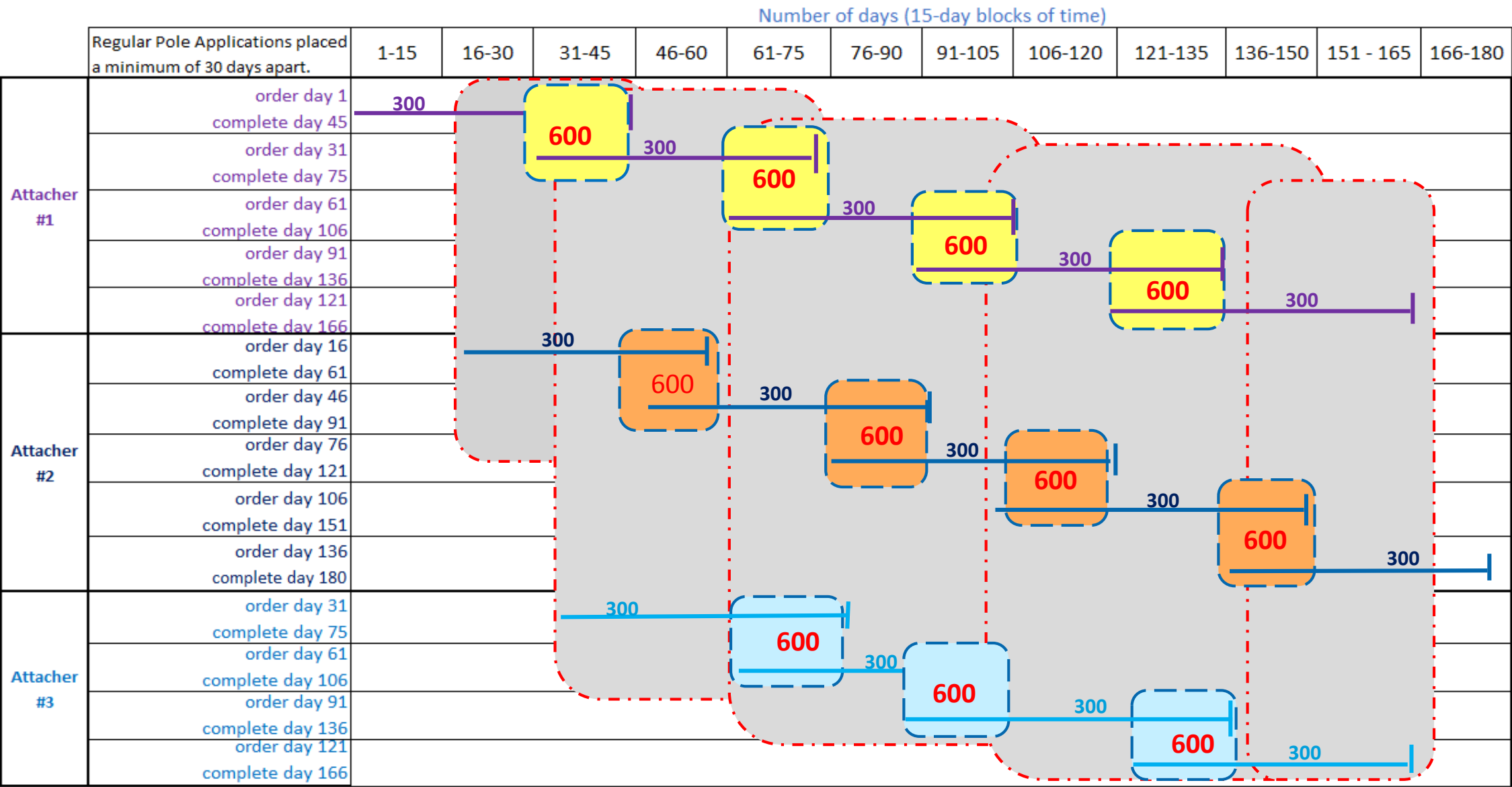
Overlapping pole order and assessment timeframes. Up to 600 poles subject to regular order timeframes during these process overlaps.

*Regular pole application is defined as an application for no more than 300 poles, submitted a minimum of 30 days apart
Regular pole application assessment must complete within 45 days of application submittal



Pole Attachment

Eliminate Ambiguities in Determining Large Order Timeline - Request by Multiple Attachers:



Pole Attachment

Any “One-Touch Make-Ready” Approach Must Be implemented with appropriate safeguards:

- limited to **routine transfers only** – no complex work, particularly those involving cable splicing or moving wireless equipment.
- performed by **pre-approved contractors** – by pole owners in consultation with existing attachers
- performed by **unionized workforce** when there are existing **collective bargaining agreements**
- **notify all existing attachers at least 30 days prior** to the performing the OTMR.
- **post completion inspection** - the new attacher must be responsible for inspection cost, and **correct deficiencies caused by their make ready work**.
- the **new attacher must indemnify all parties** for any liability arising out of that work.

[**Sequential make ready** (each lasting 60 days)—Not consistent with AT&T’s experience. Not a valid rationale for OTMR for all deployments.]



Pole Attachment

Cost-based make-ready charges are affected by variable factors and are not uniform:

- AT&T supports **cost-based make-ready charges** – that doesn't mean uniform charges across country.
- Make-ready charges are **variable due to many factors**, such as:
 - **Nature of make-ready job** (move one or more attacher, pole size, replacing poles, type of attachment, etc.)
 - **Environment/terrain** (urban/rural)
 - **Region** of the US (**differing labor costs**)
- Setting arbitrary, uniform or caps on make-ready charges may undercompensate some parties and overcompensate others.
- Pole owners and existing attachers are **entitled to recover make-ready costs incurred** to do work requested by a new attacher



Pole Attachment

Pole attachment rates must be cost-based:

- **Capital costs already recovered via make-ready charges** should be excluded from the pole attachment rate (i.e. unreimbursed capital costs should be included in the rate to allow for the recovery of fixed, non-variable costs)
- **Commingled services** (i.e., multiple services provided with cable or telecom services over a single attachment) **should benefit from the rate for the cable or telecom services** provided over the attachment
- A **presumption that the telecom rate is the “just and reasonable” rate for ILECs** under § 224(b) would recognize that:
 - allow **ILEC attachers to pay the same modified telecommunications rate** as their competitors (will reduce payments by more than ½);
 - **eliminate the burden on ILEC attachers to demonstrate details from other attachers contract;**
 - **allow IOUs, who are in the best position to know the contract details of all attachers, to rebut the presumption where ILECs special contract benefits do not warrant such telecom rate.**
 - recognizes reduced bargaining power of ILECs vs. IOUs.



Pole Attachment

Pole attachment rates for wireless attachments:

- **For wireless attachment that requires more than the presumptive one-foot of usable space on a pole, apply the modified telecommunications rate for the first foot plus an incremental rate for each additional foot occupied on the pole.**
 - Based on standard assumptions, **first foot rate = 16.89% of costs**, i.e. 14.22% (fixed) + 2.67% (variable).
 - **Added incremental costs for** each additional foot should include only **the variable costs, 2.67%**.
 - Example: **Wireless attachment occupying 5'** on the pole assigns attacher **27.57% of pole cost** (16.89% for first 1' + 10.68% for the additional 4')



Pole Attachment

Other Pole Attachment Issues:

- **Don't mandate pole location database** – creating and maintaining **will be too costly**; and public disclosure **could compromise the safety** of the nation's critical electrical and telecommunications infrastructure.
- **Don't mandate Use of Workflow Tracking Systems** - pole owners and attachers already use pole attachment tracking and coordination systems when and where they determine the systems are needed, and there is no need for the Commission to intervene.
- **Utilities should not impose arbitrary** and unilateral **construction standards** on the placement of pole attachments.
 - Follow industry (NESC) standards
- ***Overlashing and Removal of Copper*** – agrees with removal of unused cables **as long as** they (a) are **not already overlashed**; (b) are **not intended to be used** to provide service **at a later date**.
 - **expedited copper retirement waiting period** proposed by AT&T in another part of this docket **should decrease overlashing incidents**.



Section 253 Preemption

Section 253 is an avenue to accelerate broadband deployment:

- Section 253 authorizes the FCC to take steps to remove local barriers to deployment
- Steps to avoid broadband deployment delays:
 - encourage **uniform local standards** and processes;
 - be willing to **preempt when providers encounter** state and local **barriers** to deployment.
- Create a **streamlined Section 253 complaint procedure**:
 - akin to pole attachment complaint process, but **with shot clock**;
 - would increase **predictability & expedite relief**.

